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Before the

Federal Communications Commission

Washington, D.C.

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the matter of :

GTE Corporation, : **C.C. Docket No. 98-184**

Transferor

:

and

:

Bell Atlantic Corporation,

Transferee :

For Consent to transfer control :

Statement of Joe Palacio
On behalf of
Communications Careers For Latinos, Inc.
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March 1, 2000

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Mr. Chairman and Commissioners, my name is Joe Palacio. I am President of Communications Careers For Latinos, Inc. a 501 (c) (3) non-profit organization dedicated to the promotion and advancement of Latinos in all facets of the communications industry. Thank you for granting CCL, Inc. the privilege of addressing the proposed merger between Bell Atlantic and GTE.

CCL, Inc. is one of the fastest growing non-profit organizations primarily dedicated to closing the gap on the Digital Divide. According to Mr. Richard Adler, President of People & Technology, "those who have the resources to use the great power that telecommunications makes available will thrive; those who lack these resources will fall further behind." Three years ago we created the first Urban Policy Portal for Latinos as a first step toward bridging this ever-increasing gap. Today we operate in the Northeast and West Coast, and represent the over 10 million American Latinos in those regions and beyond. Our organization officially has participated in public hearings through the New York Public Service Commission on Universal Service, and hosted two major conferences focused on narrowing the Digital Divide. The goals and mission of CCL, Inc. are made clear on the website of the Alliance for Latino Community Technology (www.ALCT.org).

My statements today are not oriented toward the legal issues surrounding the merger—those seem to be the most popular issues among my colleagues. Instead, I would like to voice concern on behalf of the communities my organization represents, concern that we stand the chance of allowing this merger to take place without requiring in return that these two companies dedicate themselves to solving the technological inequities that have developed since the dawn of the Cyberage.

I would like to remind all parties involved that this merger is not merely about competition and favorable economics. This merger represents a major opportunity for Bell Atlantic and GTE to take strides on behalf of the American consumer. As one of thousands of community leaders concerned about the future of our generations to come, I see this merger as a crossroads that can help shape a world where the Digital Divide is

nothing more than an unpleasant memory. We must remind ourselves that competition and favorable economics alone do not a good merger make—mergers of this kind must make good on their promise to enhance the lives and opportunities of everyday consumers.

Given the size of the merger applicants (\$53B) and markets served by them, this is one of the most important decisions to come before the Commission since passage of the 1996 Telecommunications Act. If the Commission finds in favor of the merger, it must do so out of the conviction that the new entity will augment the social well-being and improve the quality of American life. Being a pragmatist and social activist, I am unwilling to entrust this hope, the future of our next generation, to the good intentions of a major corporation. Rather, I believe that the Commission should require of the merging parties to undertake a rigorous and measurable campaign to improve the standard of life and the wealth of opportunities for all Americans, but particularly for underprivileged Americans.

As the Commission may be aware, the Hispanic population is the fastest-growing population in America. By the year 2010, we will be the largest ethnic population in the United States, and by 2050 we will constitute a majority of the U.S. population. Following the example of Reverend Jesse Jackson, who spoke with Bell Atlantic CEO Mr. Ivan Seidenberg regarding the interests of the African-American community, our organization and others have attempted on numerous occasions to meet with Mr. Seidenberg on issues related to the interests of the Hispanic community. Mr. Seidenberg did not meet with us, nor with our Advisory Committee members, which include: Ms. Irma Zardoya, Superintendent of New York School District 10 and Spokesperson for Latinos at the Digital Divide Summit Meeting in Washington D.C. appointed by Commerce Secretary Mr. William Daly; and Mr. Guillermo Linares, New York City Councilman and Chairman of President Clinton's Commission on Hispanic Academic Excellence. This sent the clear and unacceptable message that Mr. Seidenberg does not perceive the Hispanic communities of America to be worthy of his time or consideration. If this is his disposition before the merger, we fear the worst in its wake. For this reason, we turn to you, Mr. Chairman and Commissioners, to hear and carry our voice. If this

merger is to serve, as Bell Atlantic has so frequently stated, the public interest, we appeal to the Commission to impose tangible social obligations on this new entity.

While Bell Atlantic and GTE lack the incentive to create new opportunities to help communities bridge the gap between the information rich and information poor through this merger, our organization would be remiss to allow such an oversight. We recommend to the Commission that the following initiatives be required of the new entity as a demonstration of its commitment to serving the public interest:

- Push to supply affordable technologies in low-income homes in Latino communities
- Provide electronic mail services for low-income Latino children and job-seekers
- Promote the development of public access to network services that address community needs
- Replicate the Bell Atlantic Technology Education Center, a successful network literacy program in New York, in other cities with high Latino population density, such as Los Angeles, Chicago, San Francisco, Miami, San Antonio, and Tucson
- Appointment of Hispanic leaders (e.g., Oscar Gomez, presently Vice-President of Hispanic Marketing at GTE) to important positions within the new entity's management

Thank you for this opportunity to address the FCC on an issue of such gravity, and for ensuring that this merger is truly in the best interests of all consumers, including the rapidly-growing Hispanic American community. We look forward to this Commission's advocacy and, of course, I am happy to answer any questions about this statement.